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RETAIL PRICES AND BASIC WAGE RATES - SEPTEMBER QUARTER, 1963

CONSUMER PRICE INDEX

The Consumer Price Index measures quarterly, for each capital city separately, the variations in prices of commodities and services as affecting a high proportion of the expenditure of wage-earner households. Commodities and services included in the index are food, clothing, drapery, home ownership, rent of privately owned and government owned houses, fuel, light, household appliances and supplies, fares, motoring, tobacco, cigarettes, beer, cinema, radio and television licenses, newspapers, postal and telephone services, hairdressing, dry cleaning, and various other items.

The various commodities and services have been combined into groups, and group indexes are available for Food, Clothing and Drapery, Housing, Household Supplies and Equipment, and Miscellaneous.

The indexes measure price movements in each city individually. They do not provide a comparison of the retail price level in any city with the retail price level of any other city. The base of the index for each capital city and for the weighted average, six capitals, is year 1952-53 = 100.0. Group indexes also have separate bases for each group.

During September quarter, 1963, the Brisbane Consumer Price Index increased by 0.4 per cent. from 127.9 to 128.4. This compared with an increase of 0.1 per cent. in the previous quarter and was the most substantial quarterly rise since March quarter, 1962, when there was an upward movement of 0.5 per cent. For the year ended September, 1963, the index increased by 0.7 per cent.

The Food Group contributed substantially towards the overall quarterly increase with an upward movement of 1.0 per cent. from 130.2 to 131.5. Meat and potato prices rose significantly during the quarter while there were also increases in the price of bacon, onions, and bread. The higher bread price has not yet had its full effect on the index for it was operative only during the latter part of the quarter. Price decreases were recorded for eggs and ice cream.

Higher footwear prices were principally responsible for the Clothing and Drapery Group index rising from 117.0 to 117.4, an increase of 0.3 per cent.

The Housing Group index increase was mainly attributable to higher rents for private houses. The index rose by 0.4 per cent. from 144.5 to 145.1.

In the Household Supplies and Equipment Group a decrease of 1.5 per cent. was recorded. This fall, from 112.9 to 111.2, included the effect of recent decreases in transaction prices of major household appliances.

The Miscellaneous Group index increased by 0.6 per cent. from 134.4 to 135.2. The rise was principally due to higher charges for motoring running costs, dry cleaning, and shoe repairs.

The Consumer Price Index increased in four capital cities during the quarter, decreased in one, and was unchanged in one. Percentage variations from the previous quarter were as follows:- Hobart, +0.5; Brisbane, +0.4; Melbourne and Adelaide, +0.2; and Perth, -0.1. There was no change in the Sydney index. The weighted average of the six capital cities showed an increase of 0.2 per cent.

Since the base year, 1952-53, the rise in the retail price level has been greatest in Hobart and Brisbane, while the smallest increase has occurred in Perth. Percentage increases from 1952-53 to September quarter, 1963, were as follows:- Hobart, 28.8; Brisbane, 28.4; Melbourne, 26.7; Sydney, 23.7; Adelaide, 22.8; and Perth, 22.7. The rise in the weighted average index for the six capitals was 25.1 per cent. (It should be noted that these figures merely indicate rates of price rise in the separate cities, and do not represent in any way the relative absolute price levels in the different cities.)

COMMONWEALTH AND STATE BASIC WAGE RATES

Commonwealth and State basic wage rates are reviewed by the appropriate Industrial Authorities from time to time - in some cases at fairly regular intervals and in others as a result of special applications for variation of the wage rate. The last variation made by the Commonwealth Conciliation and Arbitration Commission was an addition of 12s. to the male basic wage, with corresponding adjustments to the female and juvenile rates, and operated from 7th July, 1961.

The Queensland Industrial Conciliation and Arbitration Act of 1961 abolished automatic quarterly reviews of the State basic wage, but the Industrial Commission was empowered to vary the wage after a general hearing on the applications of interested parties. Following such applications the Commission increased the basic wage by 4s. for males and 3s. for females as from 29th May, 1961, and later, by 2s. for males and 1s. 6d. for females as from 6th May, 1963.

Current Commonwealth and State basic wage rates are shown in the following table.

Basic Wage Rates - Australian Capital Cities

Capital City	Commonwealth Basic Wage			State Basic Wage		
	Males	Females	Date of Operation ^a	Males	Females	Date of Operation
	£ s. d.	£ s. d.		£ s. d.	£ s. d.	
Brisbane ..	13 10 0	10 2 6	7.7.61	14 6 0	10 14 6	6.5.63
Sydney ..	14 15 0	11 1 0	7.7.61	15 3 0	11 7 6	1.8.63a
Melbourne ..	14 7 0	10 15 0	7.7.61	14 7 0	10 15 0	July, 61b
Adelaide ..	14 3 0	10 12 0	7.7.61	14 3 0	10 12 0	10.7.61a
Perth ..	14 8 0	10 16 0	7.7.61	15 1 6	11 6 1	29.7.63
Hobart ..	14 14 0	11 0 6	7.7.61	14 14 0	11 0 6	July, 61b

a From the first pay period commencing on or after the date shown.

b Most Wages Boards adopted the Commonwealth rate during July, 1961.

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4th November, 1963

Table 1 - Consumer Price Index - Total and Group Indexes - Brisbane
(Year 1952-53 = 100.0)

Period	Food	Clothing and Drapery	Housing	Household Supplies and Equipment	Miscell- aneous	All Groups
Year -						
1953-54	103.4	100.9	101.6	101.7	101.7	102.0
1954-55	104.1	101.3	104.7	102.5	102.0	102.9
1955-56	107.7	102.2	110.5	102.6	108.0	106.3
1956-57	111.5	104.7	118.4	106.5	118.9	112.0
1957-58	113.0	107.8	123.9	108.3	120.5	114.4
1958-59	119.8	109.4	128.4	109.0	123.6	118.2
1959-60	124.2	111.9	132.6	110.6	125.6	121.2
1960-61	130.4	115.1	137.6	111.3	129.5	125.4
1961-62	130.8	116.7	140.5	113.0	133.3	127.3
1962-63	129.8	117.0	144.0	112.8	134.4	127.7
Quarter -						
1962 - September ..	129.3	116.9	143.2	113.1	134.3	127.5
December ..	129.5	117.0	144.1	112.8	134.4	127.6
1963 - March ..	130.3	117.0	144.2	112.5	134.3	127.8
June ..	130.2	117.0	144.5	112.9	134.4	127.9
September ..	131.5	117.4	145.1	111.2	135.2	128.4
Percentage Increase or Decrease (-) on Previous Quarter						
Quarter -						
1962 - September ..	-0.1	0.1	0.9	0.1	-	0.2
December ..	0.2	0.1	0.6	-0.3	0.1	0.1
1963 - March ..	0.6	-	0.1	-0.3	-0.1	0.2
June ..	-0.1	-	0.2	0.4	0.1	0.1
September ..	1.0	0.3	0.4	-1.5	0.6	0.4

Table 2 - Consumer Price Index - Capital Cities
(Year 1952-53 = 100.0 for Each City and for Six Capitals)

As the base for each city is 100.0, the indexes in the table below do not indicate relative price levels as between cities, but they may be used to compare relative price movements in the various cities.

Period	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Weighted Average, Six Capitals
Year -							
1953-54	101.6	102.0	102.0	102.3	103.0	105.0	102.0
1954-55	102.3	102.0	102.9	103.5	105.2	104.9	102.6
1955-56	105.7	108.1	106.3	106.9	107.9	110.2	106.9
1956-57	112.9	114.0	112.0	111.1	112.9	116.9	113.1
1957-58	114.5	114.4	114.4	111.9	113.6	117.0	114.2
1958-59	115.3	116.6	118.2	114.5	114.7	118.7	116.0
1959-60	117.8	120.0	121.2	118.0	116.9	120.8	118.9
1960-61	122.1	125.9	125.4	122.9	121.2	127.5	123.8
1961-62	122.6	126.3	127.3	122.5	121.6	128.1	124.3
1962-63	123.2	126.2	127.7	122.1	122.2	128.0	124.5
Quarter -							
1962 - September ..	122.7	126.2	127.5	121.9	122.1	127.6	124.3
December ..	123.2	126.2	127.6	121.9	121.7	128.2	124.4
1963 - March ..	123.3	126.0	127.8	121.9	122.3	128.0	124.5
June ..	123.7	126.4	127.9	122.5	122.8	128.2	124.9
September ..	123.7	126.7	128.4	122.8	122.7	128.8	125.1